

Meeting Summary for Complex Care Committee Zoom Meeting

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Quick recap

The participants discussed the complexities and importance of pension plans, retirement benefits, and the Social Security system, with a focus on the differences between pension plans and 401(k) plans. They also addressed the challenges faced by individuals with disabilities in Connecticut, particularly in relation to the Husky C program, and the potential solutions to address the financial issues of Social Security. Lastly, they discussed the issues and advocacy needs for Medicare Advantage Plan users, and the possibility of future meetings.

Next steps

Connecticut State Legislature to consider offering state employee retirees a choice between traditional Medicare and Medicare Advantage plans during open enrollment periods.

Office of the Healthcare Advocate and Center for Medicare Advocacy to continue providing support for appeals on Medicare Advantage plan denials.

Complex Care Committee to monitor and address cost shifts from Medicare Advantage denials to the state Medicaid program.

Legislators to review and address the discrepancy in income and asset limits between Husky C and other Medicaid programs.

State officials to monitor potential changes to Social Security funding and benefits, particularly leading up to 2034.

Interested parties to visit CSEMedicarechoice.com to express concerns and support regarding Medicare options for state employees.

Legislators to consider addressing the discrimination in Husky C eligibility criteria against people with disabilities and older adults.

Summary

Jim Russell's Presentation and Retirement Support

David, the administrator of the committee, informed the participants of the meeting that the meeting would be recorded live on the Connecticut network (CT-N) and posted on the website. Representative Susan Johnson expressed her support for Jim's book and emphasized the importance of a good retirement for workers, especially those in corporations.

Pension Plans, Retirement Benefits, and Gambling Comparisons

Rep. Johnson and Jim discussed the complexity and relevance of pension plans and retirement benefits. Rep. Johnson mentioned that a previous discussion about pensions, based on Jim's book, was beneficial for their community. Jim agreed that while the subject may be complicated and boring for some, it is crucial for people to understand it, as it significantly impacts their lives. They also compared the complexity of this subject to gambling, another topic that many find intriguing. The meeting then proceeded with Rep. Johnson introducing the guest speaker, Professor Jim Russell, who wrote a book on retirement plans.

Retirement Plan Comparison Discussed

Jim shared his experience and research on retirement plans, specifically the 401(k) and the State Pension Plan in Connecticut. He revealed that despite contributing twice as much to the 401(k), retirees received only half the benefits they would have received from the State

Pension Plan. Rep. Johnson confirmed that he had been informed of the same by the Comptroller's office when he was first elected. The discussion indicated that the State Pension Plan, despite being sometimes criticized for being overly generous, was less costly than the 401(k) alternative.

Jim's Role in Connecticut Retirement Plan Crisis

Jim and Rep. Johnson discussed Jim's role in resolving Connecticut's retirement plan crisis in the 1990s. Jim's proposal to transfer savings from the Alternate Retirement Plan to the State Pension Plan gained traction after the 2008 stock market collapse, and by 2011, over 2,000 people had transferred more than \$400 million. They also emphasized the importance of having a balanced retirement plan, including social security, pensions, and personal savings, and discussed the unique challenges of the Husky C program in Connecticut.

Pension vs. 401(k) Plans Discussion

Jim clarified the differences between a pension and a 401(k) plan, emphasizing that the former is a defined benefit plan while the latter is a savings and investment plan. He also explained that Social Security is a national pension plan that has significantly reduced elderly poverty. The discussion further touched on the development of 401(k) plans in the early 1980s as a supplement to pensions and Social Security, with the Reagan Treasury Department even issuing a rule allowing 401(k)s to replace pensions. The shift from pension plans to 401(k)s in employer-sponsored retirement plans was also noted.

Discussing Retirement Plan Options and Social Security

Jim discussed the shortcomings of 401(k) plans and other individual retirement plans, highlighting that they often result in less income for the users due to high fees, commissions, and profit-taking. He compared these plans to social security, which he described as a more efficient and favorable income system, especially for lower-income groups. He also mentioned that most people who apply for HUSKY Part C are unlikely to have a pension plan other than social security.

Addressing Disability Challenges in Connecticut

Rep. Johnson, Jim, and Sheldon Toubman discussed the challenges faced by individuals with disabilities in Connecticut, particularly in relation to the Husky C program. They highlighted how the program's strict asset and income limitations often exclude individuals who could potentially work. Sheldon pointed out the problem of rank discrimination against people with disabilities in other major Medicaid programs, such as Husky A and Husky D, which have higher income limits. Both agreed on the need for a unified plan to simplify the system for workers and ensure parity in treatment. Jim was invited to contribute further to the discussion on social security and Husky C.

Social Security, Income Inequality, and Consequences

Jim emphasized the significance of social security in the US, highlighting its role in reducing poverty and its potential impact if eliminated. He also pointed out the lack of automatic adjustments for changes in income inequality, predicting a reduction of benefits to 80% by 2034 if no action is taken. Jim further discussed the potential consequences of reducing support in Connecticut, including increased eligibility for other programs and potential civil unrest. Rep. Johnson then raised a related issue about the financial transfer of responsibilities from national entities to state and local communities, which both agreed needed resolution.

Addressing Social Security Financial Issues

Jim and Rep. Johnson discussed the potential solutions to address the financial issues of Social Security. Jim suggested increasing revenue by removing the cap on labor income and taxing investment income, while Rep. Johnson emphasized the importance of maintaining Social Security as an equitable program for all. They also highlighted the need to monitor the politics of Social Security, specifically the Cato Institute's efforts to abolish or severely reduce the program. The discussion underscored the complexity of the Social Security issue and the need for careful consideration of potential solutions.

MAP Users' Challenges and Advocacy

Rep. Johnson and Jim discussed the issues and challenges faced by Medicare Advantage Plan (MAP) users, particularly in relation to access to care and appeal processes. Rep. Johnson shared her experiences from her time at the Center for Medicare Advocacy, highlighting the difficulties MAP users face in appealing denials due to the plans' strict regulations and the doctors' gatekeeping role. Jim shared his own experience with the MAP in Connecticut, where state employees have no choice but to enroll in the MAP, and the issues faced by a retired professor who was denied skilled nursing care. They agreed on the need for greater awareness and advocacy for MAP users, particularly during the open enrollment period, to ensure they have access to the care they need.

Health Concerns, and CSE Medicare Choice

Rep. Anne Hughes expressed her concerns about potential privatization and emphasized the need for accountability in public funding. Rep. Johnson then asked Jim to give the information for the website CSE Medicare Choice, a platform for voicing support or concerns on various ideas. The group discusses obtaining the book "The Labor Guide to Retirement Plans" published by Monthly Review Press. Rep. Johnson mentions the possibility of future meetings on this topic and thanks everyone for their participation.